

Midterm Examination

In Class: Answer any three. Take-Home: Answer any five

Chapters From the Text

1. (Chapter 1). Briefly outline some of the main patterns of economic development. What are some of the main factors underlying these country differences? How is the concept of substitutes relevant in explaining some of these patterns?
2. (Chapter 2). Summarize the basic assumptions and workings of the Harrod-Domar and Solow (neoclassical) growth theories? In what ways do they differ? What do each infer about the future?
3. (Chapter 3). Outline the main assumptions underlying the Lewis two-sector model? What are the implications of this view of development? In what ways did the neo-classical model extend the Lewis model? Do you find these approaches to understanding the process of development useful? Why or why not?
4. (Chapter 4). What are some of the ways in which income distribution is measured? The main indicators of human welfare? What are some of the main factors influencing income inequality?
5. (Chapter 7). Outline the main historical patterns of human. What appear to be some of the main effects of rapid population growth? How have some countries initiated population policies?
6. (Chapter 8). What are some of the main features of developing country labor markets? How can underutilized labor be used in a development strategy? What factors affect migration? What appear to be some of the main constraints on employment in developing countries?
7. (Chapter 9). Outline some of the main characteristics of developing country education. What are some of the main assumptions underlying human capital theory? What are some of the main generalizations concerning the rate of return on education in developing countries?
8. (Chapter 10). Write a brief essay on the importance of health to development. What factors have tended to impede improved health in these countries and how can they be best overcome?
9. (Chapter 11). What are the main roles of savings and capital formation in the development process? The controversies surrounding their impact on growth? What are the various types of savings and the factors affecting their mobilization?

10. (Chapter 12). Outline the role of fiscal policy in the development process (chapter 13, Gillis). What are some of the more controversial issues in this area?

11. (Chapter 13). What contributions can the financial system make to a country's development? Outline the advantages and disadvantages of using inflation to mobilize resources.

12. (Chapter 14) What are the main advantages of foreign investment? The disadvantages? How has foreign debt become a major problem for the developing countries? What are some of the proposed solutions to the developing country debt problem?

Patterns of Growth

13. Following Sachs (Twentieth-Century Political Economy), outline the development of global capitalism in the twentieth century. Why has the diffusion of capitalism been so conflictual and violently contested? Do you find his assessment of capitalism convincing? Why or why not?

14. Sachs (Globalization and the Patterns of Economic Development) provides a framework for understanding the patterns of world growth. What are the main divisions used by him to classify countries? The main characteristics of each of these classifications? Policy implications for each group?

15. In the mid-1970s the United Nations issued a major study (the Leontief Report) that identified the main impediments to bridging the gap between the rich and poor countries. What were the main areas examined and the general findings for each?

Explanations of Growth—Historical Attempts

16. The Classical approach toward the process of economic growth and development (Smith/Malthus/Ricardo/Mill) is based on a series of assumptions about the manner in which inputs affect output over time. What are these assumptions? Describe the process of growth they imply. From our perspective today, what were the model's limitations? Its strengths?

17. The Marxian Model is also based on a series of assumptions concerning the manner in which inputs occur and impact on production. What assumptions appear critical to the model? How might changing these alter the outcome of the model? What were the model's strengths? Why did it produce such a poor forecast of capitalist growth and development?

18. Writing about 100 years after Marx, Schumpeter described the manner in which capitalist societies grow over time. What were the key elements in his model? In what way did they interact to eventually erode the entrepreneurial function? From what you know of the American economy, do his assumptions seem sound?

19. As with Marx, Rostow attempted to divide history into a series of stages. What were these states and their main characteristics? Since its initial publication, this theory has been under attack? What are the main points made by its critics? Do you

feel these criticisms are well taken? Why or why not?

General Works of Growth and Development

20. Chapter 7 (Theories of Development) outlines the main approaches used to explain how economies grow and mature. Briefly outline those approaches you feel are most useful. The least useful? On what basis do you make these distinctions?

Alternative Approaches

21.. Dani Rodrick (Growth and Poverty Reduction: What Are the Real Questions?) asks should governments pursue economic growth first and foremost or should they focus on poverty reduction? What are the main issues here and what light does Rodrick shed on the debate?

22. Dani Rodrick (Development Strategies for the Next Century) notes that there are many different models of a mixed economy and that the major challenge facing developing nations in the first decades of this century to fashion their own particular brands of the mixed economy. According to him what factors and experiences are most relevant for shedding light on the issue?

23. Adelman and Morse attempt to shed some quantitative light on the factors responsible for economic success in the developing world. What are some of the factors examined? Their general findings?

24. What are the main arguments put forth by the dependency theorists? What appear to be the strengths and weaknesses of these theories? Do you feel this approach to economic development has merit? Why or why not?

Modern Theories of Growth and Development

25. Briefly summarize the workings of the neoclassical growth model (for example as in Gold and Ruffin, What Determines Growth?). What are the main assumptions of this theory? What are some of the main predictions made by the theory? According to its critics, what are the main weaknesses of this approach? Do you feel the endogenous growth theory overcomes these limitations? Why or why not? What are some other factors found to affect the rate of growth?

26. Robert Barro has attempted to quantify the impact on growth of certain key institutional/policy variables. What are these and what are his main findings?

Country Studies

27. (Sachs globalization -- see question 14)

28. Ozawa (Pax Americana-led macro-clustering and flying-geese-style catch-up in East Asia: Mechanisms of Regionalized Endogenous Growth) develops an interesting variation on the flying-geese model of development and growth in East Asia. Briefly outline the main assumptions of his model and the manner in which he uses it to explain the patterns of growth in the region. Do you find his arguments and assumptions sound? Why or why not?

29. What factors appear to account for Mauritius' economic success in recent years? Are there lessons here for the other sub-Saharan African countries? Why or why not?

30. The IMF (Why is China Growing so Fast?) has spent a considerable effort assessing China's pattern of growth. What does their research suggest about that country's economic expansion over the last several decades? What are the implications for future growth?

31. The IMF and World Bank (What We Can Learn from the Soviet Collapse) have also attempted to identify the factors that contributed to the collapse of the Soviet economy. What were their main findings? Their policy implications? From what you know of that economy does this assessment appear reasonable or lacking? Why?

32. In a controversial study (The Myth of Asia's Miracle), Paul Krugman questioned the conventional wisdom concerning growth in East Asia. What was the previous interpretation of the region's growth and in what way were Krugman's findings at odds with it? If Krugman is correct what are the implications for the region's future growth?

33. Briefly describe the approach used by Kellogg to assess the options open to the former Soviet Union in the late 1980s. What were his main conclusions? In retrospect do you find his model insightful or uninformative? Why?

34. Bloom and Sachs (Geography, Demography, and Economic Growth in Africa) note that for decades sub-Saharan Africa has been the world's poorest and also its most slowly growing region. What are the six sets of factors that have been often been invoked to account for this poor performance. How does their work differ from these approaches and do you feel they have better insights than the more traditional approaches? Why or why not?

35. Anders Aslund (Russia's Collapse) disagrees with the conventional wisdom that Russia's economic problems are due to the shock of fast and radical reforms. What alternative explanation does he arrive at? Do you feel he has made his case? Why or why not?

36. Kose and Prasad (Thinking Big) outline some of the problems facing small states in an increasingly globalized economy. What are some of the ways in which these countries differ from their larger counterparts? The main disadvantages they face? Their main policy options?

Development Strategies/Dualism

37. Internal migration has been an increasing phenomenon in many countries. Tidrick attempts to explain the factors underlying the decision to relocate. What is his basic model, the observed facts he wants to explain? The policy conclusions stemming from his findings?

38. Higgins (Interaction of Modern and Traditional Sectors) outlines the main components of the Lewis and Fei-Ranis models. Briefly outline the main assumptions

of these models and the way a successful completion would occur over time. Why is the assumption of surplus labor critical to the model? Do you feel this model is useful in understanding of economic growth in the developing countries? Why or why not?

39. Myint has developed a model of economic development often referred to as "Organizational Dualism." Briefly outline the main assumptions underlying this approach. Do you feel this model provides insights that other dualistic models overlook? Why or why not?

40. A classic debate in the literature surrounds the choice of a development strategy. Briefly summarize the debate between those advocating unbalanced growth with those supporting a balanced approach to development. What are the key assumptions in each strategy? Why do you feel is more appropriate for most situations? Why

41. Over the years, the Lewis Model has been extended by a number of writers. Briefly summarize the basic Lewis Model and the manner in which Thweatt extended this approach. Why did Thweatt feel the Lewis model needed modification?

Resources for Growth

42. Anne Krueger assesses the roles of the World Bank and International Monetary Fund (IMF). Based on this paper outline a brief description of each organization. Why was each organization created and how did it evolve over time. Do you believe either or both have a productive future? Why or why not?

43. Ross Levene summarizes the role that financial institutions play in the growth and development process. What are the main issues surrounding these institutions? What are his main findings and conclusions concerning the role of these institutions in the facilitating national economic growth and development? **(counts for 2 questions)**

44. Tanzi notes (Globalization and the Work of Fiscal Termites) that globalization is likely over time to have a significant negative impact on countries' ability to raise revenues through their tax systems. What are the main factors causing this difficulty? According to him what steps can countries take to counter this problem?

45. de Soto's work on (The Mystery of Capital) has received increased attention lately. According to him how do formal property systems of the West produce effects that allow their citizens to generate capital? What might the developing/transition countries do to create a similar situation in their economies?

46. Capital Flows and associated speculative currency attacks are becoming a major problem for many emerging economies. As defined by the IMF, what are the main issues here? The options open to countries?

47. Cooper (Chapter 11 for Countries?) examines recent proposals for resolving debt problems of states facing financial collapse. What are the main issues and proposals outlined by Cooper? His assessment of the IMF's (Kruger) proposed approach?

48. United Nations 1970s forecast – see question 15.

49. Martin Feldstein notes that the global financial crisis of 1997-98 was neither the first of its kind nor the last. But this time even countries pursuing sound policies were not immune. What is the main problem in these markets and what options are open to emerging markets to reduce the risks of currency instability?

50. Sebastian Edwards examines the case for capital controls over international financial movements. What is the nature of these controls and why are they often advocated? What problems does Edwards see in initiating controls over these flows?

51. Alan Blinder formerly with the Federal Reserve sees some fundamental flaws in the global financial architecture. As seen by Blinder what are the current system's main flaws? How does he propose to overcome them?

52. Dornbusch (A Primer on Emerging Market Crises) attempts to set out a few propositions that summarize what is known about emerging market crisis and capture the chief lessons from this experience. What are his main findings concerning what constitutes bad practice and areas of continuing controversy?

Foreign Aid

53. As summarized by the Congressional Budget Office (The Role of Foreign Aid in Development) foreign aid has had a controversial history. Briefly outline the argument made by those who would advocate expanded aid programs? Those who would end this form of capital transfer?

54. The CBO Aid study provides an interesting comparison of 4 groups of countries—four relatively successful and unsuccessful countries. Out of these case studies what appear to be the conditions conducive to aid providing economic benefit to the recipient country? Conditions under which aid is of little economic help?

55. Peter Bauer and Basil Yamey have been the most persistent critics of foreign aid. What are their main arguments? Do you agree or disagree? Why?

56. As Osborne notes (Rethinking Foreign Aid) foreign aid has come under increasing criticism in recent years. What are the main complaints concerning foreign aid? Osborne's empirical findings? The implications of his findings?

57. Anne Kruger, outlines the main arguments often made by the World Bank for aid in the development process. What are these arguments and do you feel they have merit? Why or why not?

58. Wedel is quite critical of the U.S. assistance programs for the former USSR and Eastern Europe? What are her main points and do you feel her arguments are compelling? Why or why not?

Issues in Growth and Development

59. The literature has been increasingly focused on the economic problems associated with corruption. What are some of the adverse affects stemming from corruption? The policy issues surrounding this problem?

60. Theodore Schultz was given a Nobel Prize for his work in economic development. Many of his ideas were brought together in his "The Economics of Being Poor." What does he feel are some of the main mistakes made by economists in this area? Where would he place more emphasis in policies designed to improve living standards?

61. Considerable speculation has arisen over the effects of globalization. Tanzi in particular has been concerned with the ability of governments to provide social protection in the wake of increased globalization. According to him, what are the main factors at work? What implications does he draw for future governmental programs?

62. Nicholas Crafts reviews the experience of economic growth during the twentieth century with a view to highlighting implications for both growth economists and policy-makers. What are some of the major changes in economic structure found by him? Their implications for growth performance?

63. Briefly summarize the views of Raul Prebisch (Werner Baer, The Economics of Prebisch and ECLA). What appear to be the strengths of his analysis? The limitations?

64. The-Hiep Nguyen surveys the evidence concerning long-run movements in the terms of trade of developing countries. Why is this an important issue? What are his main findings and their relevance for policymaking?

65. Bruton's 1989 paper on import substitution contrasts the experience of three countries, South Korea, Brazil, and India. Characterize the strategy adopted by each country? What were the advantage and disadvantage of each approach? Can we conclude anything from these case studies as to the best strategy to implement import substitution?

66. Bruton's last (1998) survey of import substitution contrasts this strategy with the outward oriented approach. What are his main conclusions concerning the merits of each strategy? The problems associated with each? **(counts for 2 questions)**

67. Bruton's early views on import substitution were formed from the results of an empirical study on Latin America (Productivity and Growth in Latin America). What were his main findings? How did he feel the process of import substitution affected the overall patterns of growth? What were the policy implications of his findings?

Human Resources

68. The Economist's latest survey of migration (November 2, 2002) raises a number of issues and concerns involving the international movement of peoples. In your opinion what were the most important facts presented and points raised in the article?

69. Bhagwati, notes that governments will have to change their policies towards immigration. What does he base that conclusion? His recommendations for a new orientation towards immigration? Do you find his arguments convincing? Why or why not?

70. Briefly summarize the main findings of George Psacharopoulos concerning the returns to education. What are some of the main conceptual issues surrounding this type of measurement? What policy implications do you draw from his analysis?

71. Carrington and Detragiache examine the extent of the Brain Drain. What are some of the problems associated with the data? What are their main findings? The policy implications?

72. Following Psacharopoulos (Education and Development: A Review) what are the main educational strategies open to developing countries? The issues that surround each?

Energy Issues

73. Oil price shocks are an ongoing concern in consuming countries (Robert Looney, Oil Price Shocks and Globalization). Generally it has been assumed that as economies become more service oriented, oil shocks will be less disruptive. As an empirical matter, what are the main patterns associated with oil price shocks? The implications?

74. The World Bank (Development Problems of Mineral Exporting Countries) finds that a number of structural features associated with the historical, technical and institutional development of the mining industry distinguish the mineral-exporting countries (the mineral economies) from other developing countries and present these countries with a special set of development opportunities and problems. Briefly outline how the mineral economies differ from other developing countries and the challenges and opportunities arising from the possession of minerals?

75. Stephen Lewis (Development Problems of the Mineral Rich countries) identifies a number of problems faced by the mineral countries. According to him what are these impediments? What policies do they suggest?

76. Paul Joskow notes that the good performance of energy markets during the seven or eight years following the Gulf War masked many continuing and emerging energy policy challenges that derive from larger domestic and foreign policy issues. What are the main market developments and new challenges associated with the energy sector as outlined by Joskow. What are his main recommendations? Do you find his arguments compelling? Why or why not?

77. Michael Klare, (Global Petro-Politics: The Foreign Policy Implications of the Bush Administration's Energy Plan) assess the implications of the Bush Administration's Energy Plan. What are the main components of the Administration's Energy Plan? The implications?

78. Following Harrison (Quiet Struggle in the East China Sea) briefly summarize the known seabed hydrocarbon resources in Northeast Asia. What are the main issues surrounding these resources?

79. Smil (Energy Resources and Uses: A Global Primer for the Twenty-First Century) notes that any realistic appraisal of global energy futures must begin with a comprehensive and balanced understanding of resources and their uses. What are some of the main energy supply and demand patterns noted by him? Their policy implications?

80. Following Morse and Richard what are the main issues in the competition between Russia and Saudi Arabia for energy dominance? The role of the United States in effecting the battle between these two producers? Possible outcomes?

Terrorism

81. Robert Rotberg (Failed States in a World of Terror) outlines some of the problems associated with failed states in a world of Terror. What are some of the notable failed states? How do they become breeding grounds for terrorism? What are the policy approaches for rectifying the situation?

82. Bremer and Kasarda (The Origins of Terror: Implications for US Power) develop a general model of what they call the Second World. What is the Second World, the growth stages of The Second World and the mechanism whereby economies fail to transition to the next stage? Typical countries in each stage? How does an environment conducive for terrorism develop in this model? The implications for the United States? Do you feel they have made a good case for their approach? Why or why not?

83. Gupta et al (The Elusive Peace Dividend) outline how armed conflict and terrorism undermine economic performance. What are some of their general findings concerning the manner in which conflict and terrorism affect macroeconomic performance and public finances. The policy implications of their research?

84. Pakistan is a key country in the war on terrorism. That country's economic stability (Robert Looney, the IMF and the War on Terrorism in Pakistan) will be a key factor in determining its ability to counter terrorism. Briefly outline the key reforms undertaken by the Musharraf Administration to bring economic stability. The main successes? Failures? The role of the IMF? What do you see regarding the prospects for the near-term future?

85. The costs of 9/11 are difficult to quantify, and ultimately a bit arbitrary. However conceptually they fall into several distinct categories. Following Navarro and Spencer (9/11 Assessing the Costs of Terrorism) what are some of the main considerations involved in compiling a list of economic costs associated with 9/11?

86. The costs of the war on terrorism and potential conflict with Iraq may place severe strains on U.S. finances (Robert Looney, Financing Wars on Terrorism and Iraq). What some of some of the magnitudes of these costs? Budgetary Strategies to meet the anticipated costs? Constraints placed by the international monetary system?

87. Following a model developed by Bremer and Kasarda, Pakistan appears to be a prime breeding ground for terrorism. What factors have led to this situation (Robert Looney, Failed Economic Take-Offs and Terrorism)? The implications for United States assistance?

United States

88. The Federal Reserve of Chicago examines the theory that there is a new paradigm for the U.S. economy. What is this paradigm and the issues involved in resolving the debate as to its existence?

89. Zwick, Levine and Lewis outline what they consider to key economic mythologies about the American economy. Briefly summarize these mythologies and why the authors feel they are fallacious? Do their arguments appear sound? Why or why not?

90. Robert Levine (Thinking Big – Sources of American Growth) lists a number of factors he feels are important contributors to the American economy. What are these factors? The implications for policy? Do you find his arguments convincing? Why or why not?

91. Write a brief essay on what you consider to be the main points raised in the Economist's recent survey of America's World Role.

Turkey

92. Outline the major issues surrounding Turkey's entry into the European Union (Aydinli and Wasman, A Dream Become Nightmare? Turkey's Entry into the European Union). What are the dilemmas confronting each side?

93. Globalization is a controversial topic with some writers emphasizing the positive aspects while others focus on the negative. Onis attempts to study the impact of globalization on the process of democratization in Turkey. What type of framework does he develop for this task? His main findings? Do you feel he made his case? Why or why not?

94. Write a brief essay on the factors that appear to have contributed to the success of the Welfare Party in Turkey in the mid-to late 1990s.

Africa

95. Paul Collier and Jan Gunning (Explaining Africa's Economic Experience) review much of the empirical work concerned with Africa's poor economic performance. What are some of the various factors stressed by this literature? What are the limitations of this research as seen by Collier and Gunning? Collier and Gunning's explanation of African growth patterns? Do you feel their approach is an improvement over the more quantitative approaches? Why or why not?

96. John Sender is also critical of much of the received literature on African growth. What are his main complaints with previous studies? How does he provide an alternative interpretation of the region's economic difficulties? Do you feel his approach has merit? Why or why not?

97. Bloom and Sachs (Geography, Demography, and Economic Growth in Africa) note that for decades sub-Saharan Africa has been the world's poorest and also its most slowly growing region. What are the six sets of factors that have been often been invoked to account for this poor performance. How does their work differ from these approaches and do you feel they have better insights than the more traditional approaches? Why or why not?

98. What are the main elements in the IMF's (May 1998) assessment of Africa (Africa: Is this the turning point?). What do you feel are the most critical policy areas the African countries must focus on in order to sustain their recent economic successes?

99. The countries of Sub-Saharan Africa are capital deficient. What do you feel are the most promising strategies open to these countries enabling them to attract increased flows of private capital?

100. What factors appear to have caused Sub-Saharan Africa's marginalization in world trade? What policy reforms would you suggest to alter the situation?

Middle East

101. Kathleen Ridolfo (The Arab World: Economic Progress and Struggle) notes that globalization has forced Arab States to reevaluate their positions, collectively and individually with respect to the international arena. What are the main challenges to these countries posed by globalization? Some of the likely impacts associated with globalization?

102. What do you feel are the most important issues treated in the Economist's recent survey of Iran (January 18, 2003). In your opinion what were the main strengths and weaknesses of the survey?

103. The Economist Survey of the Arabian Gulf outlined some of the main issues facing that region. In your opinion which were most important. Do you feel they were adequately treated in the survey? Why or why not?

104. Eric Rouleau (Trouble in the Kingdom) paints a bleak picture of the Saudi situation. What factors does he feel are creating most of the problems confronting the government? Do you feel his assessment is sound? Why or why not?

105. Jahangir Amuzegar (Iran's Crumbling Revolution) finds that a number of forces for change are building up in that country. What are his basic arguments and the main elements likely to create instability? Do you find his argument compelling? Why or why not?

106. Ottaway and Lieven note that with regard to Afghanistan the international community should not embark on ambitious projects to reconstruct the country in the image of a modern secular, multiethnic and democratic state. Why? What is their approach to Afghanistan? Do you feel it is better that the approach just mentioned? Why or why not?

107. According to Alan Richards, what are the main problems facing the Middle Eastern economies? What advice did the Washington Consensus give these countries? Why have they delayed implementing many of the Consensus programs?

108. Cecilia Klein, Abdelali Jbili and Kevin Taecker discuss whether the Gulf States are ready to join the rest of the world in adhering to the global rules-based economy. What are the main issues here? The advantages to countries moving in this direction? The main problems encountered by these economies in becoming more integrated into the world economy?

109. Saudi Arabia's long term development strategy is to move away from being a rentier state (Robert Looney, Measures of Transition from a Rentier State). What are some of the key elements of this strategy? Measures of progress? Prospects for the future?

110. The IMF notes that globalization—the intensification of international trade and finance linkages underpinned by economic liberalization and technological change presents both challenges and opportunities to Arab countries. What are the issues here and what recommendations does the IMF make for these countries? Does their advice appear sound? Why or why not?

111. Ali Abootalebi (Middle East Economies: A Survey of Current Problems and Issues) examines broad trends in Middle Eastern economies and development strategy. What are the main problems and shortcomings found by him. Do you feel his assessment is sound? Why or why not?

112. Japper (GCC Financial Markets and the Quest for Development) analyzes the structure and economic role of financial markets in the GCC. What are his main findings concerning the structure of the region's financial markets? The role these markets currently play in the economic development of the GCC countries?

East Asia

113. The Economist's recent survey of China (October 12, 2002) raises a number of questions concerning that country's economy. What are the main issues that appear most important? How do you see things changing in the next several years?

114. The Economist's last survey of Japan (April 20, 2002) examines the country's current economic problems. What appear to be the key factors preventing recovery? How do you see the next few years unfolding?

115. Herr (High Growth in China—Transition Without a Transition Crisis?) notes that unlike other transition economies the PRC has so far not only avoided a severe transition crisis, but that it has apparently also managed to make economic transition a source of growth. On the other hand the country now faces a number of crucial transition problems. Following his analysis, what are these problems? If not adequately dealt with could these problems still trigger a late transition crisis?

116. James Dean (Can China Avert Crisis) notes that the Asian financial crisis created a number of fears in China. What are these concerns and how do they affect that country's reform programs. According to him, what are the main economic problems currently facing that country?

117. What factors do Radlett and Sachs feel was responsible for the Asian crisis? How does this assessment differ from that put forth by the IMF? What are the policy implications of their findings?

118. Andrea Boltho and Jenny Corbett (The Assessment: Japan's Stagnation—Can Policy Revive the Economy/) note that for nearly a decade Japan's economy has virtually stagnated. What are some of the main explanations for this state of affairs? How do Boltho and Corbett see the problem? Their advice to that country's policymakers?

119. The IMF (Japan's Economy Needs Structural Change) feels the Japanese economy needs a number of structural changes to restore growth. According to the Fund, what are the main problems facing the country and where re does change appear most needed?

120. Briefly outline Japan's ageing crisis (Martin Muhleisen, Japan: Population Aging and the Fiscal Crisis). What are some of the future implications for the country?

121. The East Asian countries were considered a model of success for many years. Following Stiglitz, what were some of the lessons learned from their growth experience.

122. S. Sharma (Asia's Economic Crisis and the IMF) traces the Fund's involvement in the Asian Crisis. Briefly outline the Fund's diagnosis of the region's problems and the programs they proposed to deal with the difficulties facing these countries.

123. Vietnam's economy has been going through a number of dramatic changes in the last few years (David Dapice, Vietnam's Flirtation with Development). Briefly outline what you consider the most important economic developments in that country. How does the future look?

124. Victoria Markley (Japan on the Cusp) offers an interpretation of Japan's current economic malaise. What appear to be the main factors responsible for the country's economic decline? The country's economic strengths?. Prospects for the future?

125. Nicholas Crafts (Implications of Financial Crisis for East Asian Trend Growth) sets the Asian financial crisis in the context of the developmental state model of Asian development. What factor does he see as critical to the region's future economic growth? Does his assessment appear sound? Why or why not?

Latin America

126. Moises Naim and Carlos Lozada (Latin American Economies: The Good, the Bad, and the Ugly) note that economic forces both global and internal have had a profound impact on the region. What are some of these developments cited by them and how do they translate into alternative future scenarios. Which scenario do you feel is most likely? Why?

127. John Williamson (Lula's Brazil) outlines some of the main problems currently facing Brazil. What are the main economic challenges and prospects for the near future?

128. Following Willett (Crying for Argentina) what appear to be the main factors leading to the current economic crisis in Argentina?

129. Carlos Lozada notes that the current policy debates in Latin America begin with an informed understanding of the region's economic history. Briefly summarize the history he feels is relevant for today's issues. What event or development do you feel was most important in shaping the development process in the region? Why?

130. What is dollarization? Why do countries like Argentina look to dollarization as a means to a stronger economy? How might dollarization occur in that country? Are there any potential dangers from this policy?

131. Edwards notes that the (Mexican) peso crisis was a wake-up call for Latin America with political leaders realizing their support will erode if the economies of the region do not turn around. What does he feel these countries need to do to reform their economies and restore rapid growth?

132. Defense expenditures in Latin America have shown several distinctive patterns (Looney and Frederiksen, The Effect of Declining Military Influence on Defense Budgets in Latin America). What are these patterns and some of the factors that underlie them? Are these factors uniform across countries or are they associated with several sub-groupings of countries?

133. Kaminsky and Reinhart provide an interesting comparison of financial crisis in Asia and Latin America. What appear to be the main components of these financial crisis? The difference in patterns in the two regions?

134. Brazil has a number of rural problems. Following Rocha (Cutting the Wire: The Landless Movement in Brazil) briefly outline the nature of these rural difficulties. The history and nature of the landless movement. The movement's future.

Eastern Europe/Transition Economies

135. Hans Pitlik (Explaining Economic Performance During Transition: What Do We Know?) examined the Transition Economies and found that in all cases output declined steeply during the early years of transition. Following his analysis, what were the main causes behind the severe contraction in output? Why have some countries managed to overcome the transformation crisis far better than others?

136. In examining the economies of central and eastern Europe, Jan Svejnar (Transition Economies: Performance and Challenges) provides an overall assessment of the strategies and outcomes of the first dozen or so years of their transition, as well as an outline of the principle challenges faced by these economies. Briefly outline his main findings and conclusions. Does his assessment appear sound? Why or why not?

137. The Economist's latest survey of Central Europe (September 14, 2002) examines some of the current issues surrounding the region's financial system. What are the main problems identified? Do you feel the survey was well balanced and fair? Why or why not?

138. Gurgen notes that although the five Central Asian countries in transition have made improvements in moving to a market economy, much remains to be done. Briefly outline the progress of these countries in recent years. In which areas will economic reforms have to be intensified?

139. Havrylyshyn (Political Economy of Stalled Reforms) examines the reform process in many of the transition economies. Following his assessment, what appear to be the main difficulties faced by these countries? What needs to take place to improve economic performance?

140. Estonia (Rene Weber and Gunther Taube, Estonia Moves Toward EU Accession) has made good progress in the country's transition to a market economy, and is preparing to join the EU and eventually EMU. What are the key issues that have to be addressed in joining the EU/EMU. What are the advantages/disadvantages of membership?

141. David Powell (Death as a Way of Life: Russia's Demographic Decline) notes that if current demographic trends continue, Russians may find themselves on the endangered species list. Following his paper outline the country's main demographic trends. The factors responsible for them. The main implications for the future.

142. Steil and Woodward state that the basis of long-term stability and non-nationalist politics in southeastern Europe lies in its economies and here the picture is bleak. Following Steil and Woodward, briefly summarize the region's main economic difficulties. Is there anything the outside countries do to alleviate some of these problems?

143. Briefly describe the main components of Russia's virtual economy. How does this economy function? Its advantages? Disadvantages?

144. 16. Anders Aslund (Russia's Collapse) disagrees with the conventional wisdom that Russia's economic problems are due to the shock of fast and radical reforms. What alternative explanation does he arrive at? Do you feel he has made his case? Why or why not?

145. William Megginson and Stephen Kay (Privatization) assess the promise and perils of privatization and the proper way to transfer state companies to private hands. Following their analysis what appear to be the main advantages of privatization? Difficulties encountered/areas to avoid in privatization?

146. Marshall Goldman (Reprivatizing Russia) argues that privatization has failed in Russia. Following Goldman, what were the main shortcomings of the Russian privatization program? What is the best way out of the mess?

147. Michael Ellman (The Political Economy of Transformation) provides a good overview of the transformation process. What are his main conclusions? The main surprises coming out of his assessment? The main failures of the reform process? The best course for future action?

148. Janos Kornai (What the Change of System from Socialism to Capitalism Does and Does Not Mean) draws a number of interesting contrasts between Capitalism and Socialism. What are his main arguments in this regard and do you find them convincing? Why or why not?

149. The Economist's last survey of Poland (October 25, 2001) outlines a number of issues facing the country. Write a brief essay summarizing these challenges and the work that needs to be done to bring continued prosperity to the country.

Western Europe

150. The Economist's latest survey of Greece examines a number of issues currently facing that country. Write a brief essay summarizing these challenges and likely developments in the near future.

151. Based on the Economist's latest survey of France (November 16, 2002) what are the main challenges facing that country? Prospects for the future?

152. The Economist's latest survey of Germany examines several issues important for the country's economic future. What are these? The manner in which they may affect the country's future?

153. Bergsten would like to see increased cooperation between the United States and Europe. Along these lines, what steps and initiatives does he feel would be most effective in this regard? Do you agree? Why or why not?

154. Kleinknecht and Wengel question the commonly held view that the European economies are experiencing a process of increasing globalization. What do they see happening and how do they back up their arguments?

155. Briefly assess the main points made by William Wallace (Misunderstanding Europe). Do you agree with his assessment? Why or why not?

156. Martin Feldstein is concerned over the effects the Euro may have. What are these and do you feel his arguments convincing? Why or why not?

157. Frieden (The EURO: Who Wins? Who Loses?) notes that there will be winners and losers associated with the introduction of the EURO? Who are these winners and losers and what does he feel are some of the main problems associated with the new currency?

158. Traditionally European business firms (Franco Amatori, European Business: New Strategies, Old Structures) have differed from their American counterparts in a number of regards? What are the main differences on both sides of the Atlantic? The main challenges facing the European firms?